

**EAST CARROLL PARISH HOUSING AUTHORITY
REVIEWED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012**

VIGE, TUJAGUE NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2ND STREET
P. O. BOX 1006
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.
FRANK G. TUJAGUE, C.P.A.
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:
337-457-9324
FAX:
337-457-8743

Board of Commissioners
East Carroll Parish Housing Authority
Lake Providence, LA

Independent Accountant's Review Report

We have reviewed the accompanying financial statements of the business-type activities and the discretely presented component unit of the East Carroll Parish Housing Authority as of and for the year ended June 30, 2012, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of East Carroll Parish Housing Authority. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the East Carroll Parish Housing Authority is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the accompanying financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information listed in the table of contents is presented for additional analysis.

Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

The East Carroll Parish Housing Authority has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the Louisiana Government Audit Guide and the provisions of state law, we have issued a report dated, November 30, 2012, on the results of our agreed-upon procedures.

Vige, Tujague & Noël
Vige, Tujague & Noël
November 30, 2012

EAST CARROLL PARISH HOUSING AUTHORITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2012

	<u>Low Rent</u>	<u>Capital Fund</u>	<u>Total Enterprise Funds</u>	<u>Component Unit Rural Housing</u>
ASSETS				
Current assets				
Cash & cash equivalents	\$ 149,058	\$ -	\$ 149,058	\$ 40,127
Receivables(net)	-	-	-	-
Due from HUD	-	-	-	-
Inventory	7,179	-	7,179	-
Other assets	<u>15,279</u>	<u>-</u>	<u>15,279</u>	<u>-</u>
Total current assets	<u>171,516</u>	<u>-</u>	<u>171,516</u>	<u>40,127</u>
Noncurrent assets				
Non Depreciable Capital Assets				
Land	106,732	-	106,732	-
Depreciable Capital Assets			-	
Buildings	2,288,267	-	2,288,267	-
Leasehold improvements	290,498	-	290,498	-
Equipment & furniture	24,344	-	24,344	-
Accumulated depreciation	<u>(2,274,031)</u>	<u>-</u>	<u>(2,274,031)</u>	<u>-</u>
Total noncurrent assets	<u>435,810</u>	<u>-</u>	<u>435,810</u>	<u>-</u>
Total assets	<u>\$ 607,326</u>	<u>\$ -</u>	<u>\$ 607,326</u>	<u>\$ 40,127</u>

See accompanying notes and Independent Accountant's Review Report.

EAST CARROLL PARISH HOUSING AUTHORITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2012

	<u>Low Rent</u>	<u>Capital Fund</u>	<u>Total Enterprise Funds</u>	<u>Component Unit Rural Housing</u>
LIABILITIES				
Current liabilities				
Accounts, salaries & other payables	\$ 13,625	\$ -	\$ 13,625	\$ -
Due to other funds	-	-	-	-
Deposits due others	-	-	-	-
Compensated absences payable	2,378	-	2,378	-
Total current liabilities	<u>16,003</u>	<u>-</u>	<u>16,003</u>	<u>-</u>
Noncurrent liabilities				
Compensated absences payable	6,242	-	6,242	-
Total liabilities	<u>22,245</u>	<u>-</u>	<u>22,245</u>	<u>-</u>
Net assets				
Investment in capital assets, net of related debt	435,810	-	435,810	-
Restricted	15,279	-	15,279	-
Unrestricted	133,992	-	133,992	40,127
Total net assets	<u>\$ 585,081</u>	<u>\$ -</u>	<u>\$ 585,081</u>	<u>\$ 40,127</u>

See accompanying notes and Independent Accountant's Review Report.

EAST CARROLL PARISH HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS
PROPRIETARY FUND
For the Year Ended June 30, 2012

	<u>Low Rent</u>	<u>Capital Fund</u>	<u>Total Enterprise Funds</u>	<u>Component Unit Rural Housing</u>
Operating revenues				
Tenant rental	\$ 86,694	\$ -	\$ 86,694	\$ -
HUD PHA grant	92,876	46,425	139,301	-
Other revenues	<u>14,016</u>	<u>-</u>	<u>14,016</u>	<u>-</u>
Total operating revenues	<u>193,586</u>	<u>46,425</u>	<u>240,011</u>	<u>-</u>
Operating expenses				
Administrative	83,217	-	83,217	-
Utilities	5,680	-	5,680	-
Maintenance	52,563	-	52,563	-
General	34,055	-	34,055	-
Depreciation	<u>42,604</u>	<u>3,190</u>	<u>45,794</u>	<u>-</u>
Total operating expenses	<u>218,119</u>	<u>3,190</u>	<u>221,309</u>	<u>-</u>
Operating income	<u>(24,533)</u>	<u>43,235</u>	<u>18,702</u>	<u>-</u>
Non-operating income (loss)				
Interest income	<u>60</u>	<u>-</u>	<u>60</u>	<u>-</u>
Total non-operating income	<u>60</u>	<u>-</u>	<u>60</u>	<u>-</u>
Income before operating transfers	<u>(24,473)</u>	<u>43,235</u>	<u>18,762</u>	<u>-</u>
Operating transfers in (out)				
Transfer in	43,235	-	43,235	-
Transfer out	<u>-</u>	<u>(43,235)</u>	<u>(43,235)</u>	<u>-</u>
Total operating transfers	<u>43,235</u>	<u>(43,235)</u>	<u>-</u>	<u>-</u>
Change in net assets	18,762	-	18,762	-
Net assets beginning	<u>566,319</u>	<u>-</u>	<u>566,319</u>	<u>40,127</u>
Net assets, ending	<u>\$ 585,081</u>	<u>\$ -</u>	<u>\$ 585,081</u>	<u>\$ 40,127</u>

See accompanying notes and Independent Accountant's Review Report.

EAST CARROLL PARISH HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2012

	<u>Low Rent</u>	<u>Capital Fund</u>	<u>Total Enterprise Funds</u>	<u>Component Unit Rural Housing</u>
Cash flows from operating activities:				
Receipts from customers	\$ 86,997	\$ -	\$ 86,997	\$ -
Payments to suppliers	(92,352)	-	(92,352)	-
Payments to employees	(81,375)	-	(81,375)	-
Other receipts	106,892	46,425	153,317	-
Net cash provided (used) by operating activities	20,162	46,425	66,587	-
Cash flows from noncapital financing activities:				
Cash received from other funds	43,235	-	43,235	-
Cash paid to other funds	-	(43,235)	(43,235)	-
Net cash provided (used) by noncapital financing activities	43,235	(43,235)	-	-
Cash flows from capital and related financing activities:				
Acquisition of property, plant and equipment	(43,234)	(3,190)	(46,424)	-
Net cash provided (used) by capital and related financing activities	(43,234)	(3,190)	(46,424)	-
Cash flows from investing activities:				
Interest on investments	60	-	60	-
Net cash provided by investing activities	60	-	60	-
Net increase (decrease) in cash and cash equivalents	20,223	-	20,223	-
Cash and cash equivalents, beginning of period	128,835	-	128,835	40,127
Cash and cash equivalents, end of period	<u>\$ 149,058</u>	<u>\$ -</u>	<u>\$ 149,058</u>	<u>\$ 40,127</u>

See accompanying notes and Independent Accountant's Review Report.

EAST CARROLL PARISH HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
For the Year Ended June 30, 2012

	<u>Low Rent</u>	<u>Capital Fund</u>	<u>Total Enterprise Funds</u>	<u>Component Unit Rural Housing</u>
Reconciliation of operating income to net cash used by operating				
Operating income	\$ (24,533)	\$ 43,235	\$ 18,702	\$ -
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation	42,604	3,190	45,794	-
Changes in current assets & liabilities:				
(Increase) decrease in accounts receivable	303	-	303	-
(Increase) decrease in inventory	(3,009)	-	(3,009)	-
(Increase) decrease in other assets	2,436	-	2,436	-
Increase (decrease) in accounts payable	(621)	-	(621)	-
Increase (decrease) in accrued liabilities	2,982	-	2,982	-
Net cash provided (used) by operating activities	<u>20,162</u>	<u>46,425</u>	<u>66,587</u>	<u>-</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net assets:				
Cash and cash equivalents, beginning of period -				
Cash – unrestricted	128,835	-	128,835	40,127
Cash – restricted	-	-	-	-
Interest-bearing deposits	-	-	-	-
Total cash and cash equivalents	<u>128,835</u>	<u>-</u>	<u>128,835</u>	<u>40,127</u>
Cash and cash equivalents, end of period –				
Cash – unrestricted	149,058	-	149,058	40,127
Cash – restricted	-	-	-	-
Interest-bearing deposits	-	-	-	-
Total cash and cash equivalents	<u>149,058</u>	<u>-</u>	<u>149,058</u>	<u>40,127</u>
Net increase (decrease)	<u>\$ 20,223</u>	<u>\$ -</u>	<u>\$ 20,223</u>	<u>\$ -</u>

See accompanying notes and Independent Accountant's Review Report.

EAST CARROLL PARISH HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

INTRODUCTION

The East Carroll Parish Housing Authority was created by Louisiana Revised Statute (LSA-R.S) 40:391 to engage in the acquisition, development, and administration of a low rent housing program to provide safe, sanitary, and affordable housing to the citizens of East Carroll Parish.

The authority is administered by a five-member board appointed by the Police Jury. Members of the board serve five-year terms.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the authority for the purpose of assisting the authority in financing the acquisition, construction, and leasing of housing units and to make annual contributions (subsidies) to the authority for the purpose of maintaining this low rent character. The Housing Authority is economically dependent upon HUD subsidies.

At June 30, 2012, the Housing Authority managed 40 public housing units.

In addition, the Housing Authority is currently administering modernization programs.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the authority have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The authority applies all Governmental Accounting Standards Board (GASB) pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Reporting Entity

GASB Codification Section 2100 defines criteria for determining which component units should be considered part of the East Carroll Parish Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

EAST CARROLL PARISH HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Housing Authority to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Housing Authority.
2. Organization for which the Housing Authority does not appoint a voting majority, but are fiscally dependent on the Housing Authority.
3. Organization for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As required by accounting principles generally accepted in the United States of America these financial statements present the East Carroll Parish Housing Authority and its component units. The component unit included in the accompanying financial statement is discretely presented.

Discretely Presented Component Units

Component units that are legally separate from the Housing Authority, but financially accountable to the Housing Authority, or whose relationship with the Housing Authority are such that exclusion would cause the Housing Authority financial statements to be misleading or incomplete are discretely presented. The Component Units column of the financial statements include the financial data of this discretely presented component unit. They are reported in a separate column to emphasize that they are legally separate from the Housing Authority. The following component unit is discretely presented in the accompanying financial statements:

The East Carroll Rural Housing, Inc. is a non-profit organization which started with six rental units. These units were funded through HUD's Section 8 Program. The Board of Directors of this organization is the same board that sits on the East Carroll Parish Housing Authority, thereby, enabling the Housing Authority the ability to impose its will on the organization. The financial statements for East Carroll Rural Housing, Inc. are as of and for the year ended December 31, 2011, and may be obtained from the housing authority. The organization sold all rental units by June 30, 2005.

Fund Accounting

The authority uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

EAST CARROLL PARISH HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012

Funds of the authority are classified as proprietary fund type – enterprise funds. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance or equity, is an important financial indicator.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net assets. Proprietary funds use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred.

Revenues and Expenses

On the proprietary funds financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts and certificates of deposit purchased with original maturities of 90 days or less. Under state law, the authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

EAST CARROLL PARISH HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012

Inventory

Inventory of the Housing Authority consists of supplies and is valued at cost. The cost is reported as an expenditure at the time individual inventory items are consumed rather than when purchased.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the statement of net assets. Short-term interfund loans are classified as interfund receivables/payables.

Other Assets / Restricted Fund Balance

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 2012 are recorded as other assets. The restriction to net assets reflects these transactions.

Fixed Assets

Fixed assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value) using the straight-line method. Donated capital assets are recorded at their estimated fair value at the date of donation. The capitalization limit is \$5,000. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	10-20 Years
Leasehold improvements	10-20 Years
Furniture & Equipment	5 Years

No construction period interest costs have been incurred and capitalized for the fiscal year ended June 30, 2012.

Compensated Absences

The authority follows Civil Service guidelines pertaining to the accumulation of vacation and sick leave. This leave may be accumulated and carried over between fiscal years, with a maximum of 300 hours of payment of vacation pay upon termination or retirement.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expense when leave is earned. The unpaid portion of leave privileges is recorded as a current or non-current liability.

EAST CARROLL PARISH HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012

Net Assets

Net assets comprise the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net assets are classified in the following three components:

Invested in capital assets, net of related debt – This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

Restricted – This component of net assets consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets – This component of net assets consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The Housing Authority’s policy is first to apply unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. All other interfund transfers are reported as operating transfers.

NOTE 2 - NET ASSET DEFICITS

There were no net asset deficits at June 30, 2012.

EAST CARROLL PARISH HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 2012, the reporting entity had cash and cash equivalents as follows:

Housing Authority	\$ 149,058
Rural Housing	40,127
Total Demand Deposits	<u>\$ 189,185</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent banks. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2012, the Housing Authority has \$149,058 in deposits. These deposits are secured from risk by \$250,000 of federal deposit insurance.

NOTE 4 - RECEIVABLES

The receivables of \$0 at June 30, 2012, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>
Local sources:	
Tenants	\$ -
Less: Allowance for bad debts	-
Total	<u>\$ -</u>

Allowance for doubtful accounts totals \$0. Security deposits should satisfy any unpaid other receivables.

EAST CARROLL PARISH HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012

NOTE 5 - CAPITAL ASSETS

The changes in capital assets are as follows:

	Balance June 30, 2011	Additions	Adjustments	Balance June 30, 2012
Non Depreciable:				
Land	\$ 106,732	\$ -	\$ -	\$ 106,732
Depreciable:				
Buildings & Improvements	2,532,341	46,424	-	2,578,765
Equipment	24,344	-	-	24,344
Total	<u>2,663,417</u>	<u>46,424</u>	<u>-</u>	<u>2,709,841</u>
Accumulated Depreciation	(2,228,237)	(45,794)	-	(2,274,031)
Total Net	<u>\$ 435,180</u>	<u>\$ 630</u>	<u>\$ -</u>	<u>\$ 435,810</u>

NOTE 6 - ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$13,625 June 30, 2012, are as follows:

<u>General Fund</u>	
Low Rent	<u>\$ 13,625</u>
Total	<u>\$ 13,625</u>

NOTE 7 - INTERFUND ASSETS/LIABILITIES

Interfund receivable/payable:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Low Rent	Capital Fund	\$ -
		<u>\$ -</u>

NOTE 8 - COMPENSATED ABSENCES

At June 30, 2012, employees of the authority have accumulated and vested \$8,620 of employee leave benefits, which was computed in accordance with GASB Codification Section C60.

	June 30, 2011	Additions	Deletions	June 30, 2012
Balance	<u>\$ 5,638</u>	<u>\$ 2,982</u>	<u>\$ -</u>	<u>\$ 8,620</u>

EAST CARROLL PARISH HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012

NOTE 9 - LITIGATION AND CLAIMS

At June 30, 2012, the authority had no impending litigation.

NOTE 10 - FEDERAL FUNDS

The Housing Authority is currently administering Capital Funding Modernization Grant Programs.

1. This grant involved total approved funds in the amount of \$46,425. These funds may be used for capital expenditures. At June 30, 2012 the PHA expended \$46,425. There was also \$0 converted to operating funds in the Low Rent Fund.

NOTE 11 - CONCENTRATIONS OF RISK

The Housing Authority is economically dependent upon HUD subsidies/grants.

NOTE 12 - ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 13 – SUBSEQUENT EVENTS

The Housing Authority has evaluated subsequent events through November 30, 2012, the date which the financial statements were available to be issued.

NOTE 14 – RECENT PRONOUNCEMENTS

In December 2010, the Governmental Accounting Standards Board (GASB) approved Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements". The statement specifically identifies and consolidates the accounting and financial reporting provisions that apply to state and local governments. In June 2011, the GASB approved Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position". The statement changes how governments will organize their statements of financial position (such as the current government-wide statement of net assets and the governmental funds balance sheet). Under this standard, financial statements will include deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities, and will report net position instead of net assets. The provisions of GASB Nos. 62 and 63 must be implemented by the Housing Authority for the year ended June 30, 2013. The effect of implementation on the Housing Authority's financial statements has not been determined.

VIGE, TUJAGUE NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2ND STREET
P. O. BOX 1006
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.
FRANK G. TUJAGUE, C.P.A.
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:
337-457-9324
FAX:
337-457-8743

Independent Accountant's Report on Applying Agreed-Upon Procedures

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of East Carroll Parish Housing Authority and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about East Carroll Parish Housing Authority's compliance with certain laws and regulations during the year ended June 30, 2012, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

Expenditures made during the year for materials and supplies exceeding \$20,000 or public works exceeding \$100,000 were made in accordance with the public bid law.

Code of Ethics for Public Officials and Public Employees

Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management appeared on the list provided by management in agreed-upon procedure.

Budgeting

Obtained a copy of the legally adopted budget and all amendments.

The East Carroll Parish Housing Authority is not required to prepare a budget.

Accounting and Reporting

Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

The payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six disbursements indicated approval from the proper authority.

Meetings

Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (open meeting law).

The East Carroll Parish Housing Authority complied with this requirement.

Debt

Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

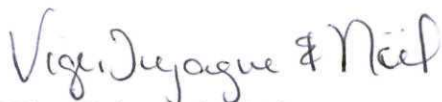
Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advances or gifts.

We inspected payroll for the year and noted no instances which indicate payments to employees which would constitute bonuses, advances, or gifts.

The prior year report, dated June 30, 2011, included no comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of East Carroll Parish Housing Authority, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513 this report is distributed by the Legislative Auditor as a public document.



Vige, Tujague & Noël
November 30, 2012

EAST CARROLL PARISH HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2012

Current Findings

#2012-1 Segregation of Duties

In reviewing the internal control structure, we noted inadequate segregation of duties existed in all areas of the financial cycle.

Inadequate segregation of duties exists due to the limited number of personnel performing the administrative functions. Due to the lack of resources, the housing authority is unable to implement a segregated system of internal control.

Management is aware of and has evaluated this inadequacy and concluded that the related costs versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation. We are in agreement with the housing authority that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment.

EAST CARROLL PARISH HOUSING AUTHORITY
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
June 30, 2012

2011-1 SEGREGATION OF DUTIES

Condition: An inadequate segregation of duties exists in the internal control structure.

Recommendation: There was no recommendation since it is not economically feasible to establish an adequate segregation of duties.

Status: This finding still existed at June 30, 2012.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

_____(Date Transmitted)

VIGE, TUJAGUE & NOEL, CPA'S

P.O. BOX 1006

EUNICE, LA 70535

_____(Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of November 30, 2012..

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [x] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [x] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [x] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [x] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [x] No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [x] No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [x] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [x] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements,

without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [x] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [x] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

Barton A. M. J.

Director 11/30/12 Date

George Taylor

President 11/30/12 Date